



DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

STATE OF ARIZONA  
OFFICE OF THE  
AUDITOR GENERAL

WILLIAM THOMSON  
DEPUTY AUDITOR GENERAL

April 19, 2007

The Honorable Tom Horne  
Superintendent of Public Instruction  
Arizona Department of Education  
Executive Officer  
Arizona State Board of Education  
1535 West Jefferson Street  
Phoenix, AZ 85007

**Subject: Peach Springs Unified School District No. 8**

Dear Mr. Horne:

We issued a compliance review report on October 20, 2006, informing Peach Springs Unified School District No. 8 that it had not complied with the *Uniform System of Financial Records* (USFR) because of significant deficiencies in the District's internal controls noted in its audit reports and USFR Compliance Questionnaire for the year ended June 30, 2005. The District was given 90 days to implement the recommendations in our report.

On March 21, 2007, the District represented to us that it had not yet made adequate progress correcting the deficiencies cited in our report and those cited in the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2006. Based solely on the District's representations, we have determined the District still has not complied with the USFR as of that date.

In view of the circumstances described above, we request that the Arizona State Board of Education take appropriate action as prescribed by Arizona Revised Statutes §15-272.

The Honorable Tom Horne

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If you have questions concerning this matter, please call Magdalene Haggerty, Accounting Services Director, or me at (602) 553-0333.

Sincerely,

Debra K. Davenport  
Auditor General

DKD/MH/js

cc: Governing Board  
Dr. Eugene Thomas, Superintendent/Principal  
Peach Springs Unified School District No. 8  
The Honorable Mike File, Mohave County School Superintendent  
Mr. Vince Yanez, Executive Director  
Arizona State Board of Education  
Ms. Vicki G. Salazar, Associate Superintendent of Financial Services  
Arizona Department of Education